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**USTR HAILS WTO ACTION TO OPEN FINANCIAL SERVICES MARKETS
UNDER GLOBAL ACCORD**

U.S. Trade Representative Charlene Barshefsky welcomed today's decision in the WTO to open global financial services markets to U.S. suppliers of banking, securities, insurance and financial data services effective March 1. Today's action resulted from the WTO Financial Services Agreement, which concluded in December 1997 under U.S. leadership.

Ambassador Barshefsky stated, "U.S. financial services providers maintain a competitive edge in the growing world market, and this agreement opens new doors for them and will provide substantial benefits to consumers. Moreover, the agreement covers an overwhelming share of global trade in the sector, including the most important international financial services markets, and encompassing \$38 trillion in global domestic bank lending, \$19.5 trillion in global securities trading, and \$2.1 trillion in worldwide insurance premiums."

She continued: "The Financial Services Agreement rounds out this Administration's triple play of critical global market-opening agreements, including the Information Technology Agreement (ITA) and the global Telecommunications Services Agreement. All three agreements cover sectors in which the United States is the most competitive producer and service provider in the world."

The step taken today in the WTO brings to over 80 the number of WTO member countries with commitments in the financial services sector that are now subject to WTO rules. Commitments from an additional 17 countries will enter into force subsequently.

The 17 countries that so far have been unable to complete their domestic ratification procedures have reported that they will do so, and are working to ensure passage of necessary legislation. Ambassador Barshefsky stated: "We are committed to ensuring that each country that undertook new commitments brings those commitments into force as soon as possible. While the new commitments of the 53 WTO Members entering into force on March 1 represent the lion's share of the global financial services market, we look to every WTO Member to fulfill its obligations."

In Geneva, the United States also expressed serious concern with Japan's implementation of its

bilateral market opening commitments with respect to its insurance sector, now incorporated into the WTO agreement. Ambassador Barshefsky further stated, “The entry into force of the WTO agreement establishes powerful new disciplines to ensure that Japan fulfills its obligations in this critical sector. We will not hesitate to exercise our bilateral and now, new multilateral rights to ensure U.S. insurance providers receive the full market access benefits they are entitled to in Japan.”